

# Philippines

Overall score:

54

**I. Industry participation in policy development:** At several meetings and hearings held by Congress, tobacco industry representatives were invited as resource persons to provide comments on proposed bills (i.e., tobacco tax increase, amendment of Tobacco Regulation Act, and e-cigarettes). Several bills on e-cigarette regulation reflected pro-tobacco industry positions.

The Philippine Tobacco Institute (PTI) and the National Tobacco Administration (NTA) continue to be members of the Inter-agency Committee Tobacco (IACT), a government committee tasked to implement the Tobacco Regulation Act and monitor compliance of the Administrative Order on Graphic Health Warnings.

The Philippine delegation to the 8th session of the Conference of the Parties to the FCTC (COP8) included a representative from the NTA, a government agency mandated to promote tobacco production.

**II. Tobacco industry-related CSR activities:** The Department of Health - Civil Service Commission Joint Memorandum Circular (DOH-CSC JMC) on the Protection of the Bureaucracy Against Tobacco Industry interference is in effect since 2010 and has banned direct partnerships between the government and the tobacco industry. However, tobacco companies continue to conduct so-called CSR activities by courting these through foundations and other groups such as Wong Chu King Foundation and the American Chamber of Commerce Foundation. Philip Morris Fortune Tobacco Corporation (PMFTC), through its CSR arm "Embrace", is a partner of Jaime V. Ongpin Foundation and has conducted at least 26 of these so-called CSR activities in 2018.

**III. Benefits given to the tobacco industry:** Under the ASEAN Trade in Goods Agreement (ATIGA) tobacco leaf and other tobacco related additives imported to the Philippines enjoy zero import duties.

International travellers to the Philippines are also allowed to bring in 400 sticks of cigarettes duty-free.

**IV. Unnecessary interaction with the tobacco industry:** Senior officials, including a Member of the House of Representatives and a Provincial Governor have attended social functions organized by the tobacco industry. The Philippine National Police (PNP) has signed a memorandum of agreement with PMFTC to collaborate on a nationwide "youth wellness and healthy lifestyle program".

**V. Procedure for transparency measures:** The DOH-CSC JMC applies to the whole bureaucracy (i.e., government officials and employees) and requires full transparency in all interactions with the tobacco industry. It also outlines the procedure to be observed when meeting with the tobacco industry is strictly necessary. However, there are no publicly available information on record of these interactions. The tobacco industry is also required to register with the Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR). However, current laws do not require disclosure of affiliated organizations of individuals acting on behalf of the tobacco industry.

**VI. Avoiding conflicts of interest:** The existing election law only bans contributions from corporations but still allows individuals, including representatives of the tobacco industry, to contribute to political parties, candidates or campaigns.

There are no time limits on when retired senior officials can join the tobacco industry after leaving public service. The former Solicitor General is currently a counsel of the Chairman of PMFTC. There is no publicly available information on current government officials working in tobacco companies.

**VII. Preventive measures:** The JMC prohibits interactions with the tobacco industry unless strictly necessary for its effective regulation. Where there is a necessary transaction, the JMC requires submission of reports or minutes of meeting that are publicly accessible. The JMC also requires agencies to submit reports on interactions with the tobacco industry, any preferential treatment given, and any offer of donation to public officials or employees. It also requires heads of agencies to inform officials and staff of the policy against tobacco industry interference and to amend their respective codes of conduct as provided in the JMC.

There is an established Article 5.3 Committee that reviews implementation however it has been inactive the past year; there is also limited budget to conduct activities related to Article 5.3. The Department of Education sends periodic reminders to schools not to accept gifts, donations, and sponsorships from the tobacco industry but there is evidence of violations.

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## Recommendations

1. Implementation of the JMC needs to be improved; it will not work without a strong monitoring and enforcement system. While there are measures to ensure transparency and reporting requirements, stricter enforcement and imposition of sanctions / penalties are still lacking.
2. Monitoring the industry must be strengthened and communication strategies intensified to inform government agencies that tobacco-related CSR activities and partnerships coursed through NGOs and foundations are not allowed under the JMC.